

# CALHFA FY2018-19 BUSINESS PLAN

## Executive Summary

### FINANCE HOUSING

Increase the Agency's future income and equity position by expanding single family and multifamily lending activities consistent with State housing needs

### REFINE OPERATIONS

Continue to improve operational efficiencies through the use of technology, workforce planning and the implementation of best practices

### SERVE PEOPLE

Collaborate with other housing entities, lenders both public and private, and stakeholders to deliver effective and innovative housing solutions

### SAVE HOMES

Help prevent avoidable foreclosures by providing assistance to eligible homeowners who have financial hardship

## FINANCE HOUSING



### Single Family Lending

- \$1.5 billion in 1<sup>st</sup> mortgage loans to generate \$16.5 million in revenue\*
- \$112 million in subordinate loans for down payment assistance and closing costs, generating \$2.8 million in revenue\*
- Research and implement a new refinance program, conventionally-insured loans for manufactured housing and loan products for Indian reservations
- Track and potentially implement Fannie Mae's program developments under its Duty to Serve mandates



### Multifamily Lending

- \$150 million in 1<sup>st</sup> lien lending, \$250 million in conduit issuance and \$15 million in Special Needs Housing Program (SNHP) lending
- \$12 million in present value revenue generation for all Multifamily programs\*
- Continue to expand efforts with Naturally Occurring Affordable Housing, extend presence in rural areas and build partnerships with localities, Community Development Financial Institutions and private banks
- Develop Missing Middle and Mixed Income Multifamily lending options using funding from Senate Bill 2, the Building Homes and Jobs Act

\* Revenues support operating expenses and are reinvested into affordable housing programs



## REFINE OPERATIONS



### Financial Position

- Renew letters of credit for variable rate demand obligation bonds
- Work with our partners at the Federal Home Loan Bank of San Francisco to expand the use and eligible collateral of our credit facility to include multifamily loans



### Risk Mitigation

- Standardize data & reporting and evaluate opportunities to improve systems and applications to support CalHFA business units



### Operational Efficiencies

- Complete Phase III of the upgrade to the Agency's Financial System (GP) to enhance the efficiency of fiscal and budgetary operations and to automate manual processes
- Implement a new multifamily loan servicing system and analyze the efficacy of and opportunity for deploying new systems for multifamily loan origination and asset management
- Fill key senior management vacancies, including General Counsel, Director of Legislation and Director of Business and Governmental Affairs

## SERVE PEOPLE



### Opportunities for CA Housing Needs

- Research and implement intergovernmental agreements to share performance and compliance data on regulated loans
- Continue to monitor state & federal policy, and advocate with U.S. Treasury for continued support of Federal Financing Bank (FFB) risk-share program

## SAVE HOMES



### Keep Your Home California Program

- Ensure remaining funds are allocated to eligible homeowners
- Develop management plans for closure of the Central Processing Center and available post-closure funds